

University of Toronto

Status Report on Debt to January 31, 2013

Financial Ratios in accordance with Policy	Total	Internal Component		External Component
		Pension Debt	Other Debt	
Debt burden ratios:				
Debt policy limit at April 30, 2012	5.0%	0.5%	1.0%	3.5%
Actual debt outstanding at January 31, 2013*	3.8%	0.4%	0.8%	2.6%
Viability ratios:				
Debt policy limit at April 30, 2012	0.82	7.24	5.43	1.11
Actual debt outstanding at January 31, 2013*	1.09	10.10	6.55	1.50
Monitoring debt burden + pension special payments				
Actual debt outstanding at January 31, 2013 plus special pension payments as % of total expenditures*	5.5%	2.1%	0.8%	2.6%

* Calculated using the Total expenditures or Total expendable resources at April 30, 2012, and special pension payments for the year ended April 30, 2012.

Debt Policy Limit April 30, 2012	Total in Millions	Internal Component		External Component
		Pension Debt	Other Debt	
Debt Policy Limit	1,329.6	150.0	200.0	979.6

Allocations	Total in Millions	Internal Component		External Component
		Pension Debt	Other Debt	
Opening balance at November 30, 2012	1,098.2	150.0	200.0	748.2
Approved by Business Board on December 17, 2012	-	-	-	-
Change of allocation on previously approved projects	-	-	-	(3.5)
Closing balance at January 31, 2013	1,094.7	150.0	200.0	744.7
Unallocated	234.9	-	-	234.9

Actual Debt Outstanding	Total in Millions	Internal Component		External Component
		Pension Debt	Other Debt	
Opening balance at November 30, 2012				
Debentures due 2031 to 2051	710.0			710.0
Other external debt	12.6			12.6
Internal debt	268.1	108.0	160.1	-
	990.7	108.0	160.1	722.6
Changes	5.3	(0.5)	5.8	-
Closing balance at January 31, 2013	996.0	107.50	165.9	722.6

Definitions:

Debt includes all long-term external and internal borrowed funds obtained by any means (e.g. debentures, bank loans) and excludes letters and lines of credit and all short-term and medium term internal financing for purposes such as construction financing and fund deficits.

Debt burden ratio, key determinant of debt policy limit, equals interest plus principal divided by total expenditures.

Debt policy limit is the maximum debt that can be taken on based on a debt burden ratio of 5%.

Viability ratio, to be taken into consideration in setting debt policy limit, equals expendable resources divided by debt. The debt strategy has set a preference of a viability ratio of 0.8 or greater.

Allocations include borrowing approved by Business Board, plus contingency for donations targets and pledges.

Actual debt outstanding is the sum of internal loans issued from internal debt plus actual external debt issuance.